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FBIS FOREIGN BROADCAST INFORMATION SERVICE

CUBA

GRANMA VIEWS NEW SUGAR AGREEMENT PROSPECTS

PA080255Y Havana PRELA in Spanish 2310 GMT 7 Jul 78 PA--FOR OFFICIAL USE ONLY

[Text] Havana, 7 Jul (PL)--The newspaper GRANMA said today that prospects are favorable for the international sugar agreement to start producing the positive results which are expected of it. The official Cuban Communist Party organ said today, as has happened with previous agreements, it should be in the second year of its existence that the prices will reach the desired minimum levels. The present agreement, which went into effect on 1 January of this year, attempts to raise the price above 11 cents per pound of sugar. Present market prices are now below 7 cents.

GRANMA said that the U.S. delay in ratifying the new agreement is undoubtedly one of the factors that has contributed to depressing the price. Another factor which has had a negative effect, added GRANMA, is the unconstructive attitude of the EEC, whose subsidized production continues to expand.

So far, 38 exporting and 12 importing countries have ratified or signed the agreement. The deadline to join the agreement was recently extended for another 6 months, to the end of this year. The Cuban paper expressed the conviction, based on the analysis of experts, that the new agreement will stabilize the sugar prices within the proposed range of 11 cents (minimum) and 21 cents (maximum).

GUYANA

PRELA REPORTS ON CONSTITUTIONAL REFERENDUM

PA112148Y Havana PRELA in Spanish 1735 GMT 11 Jul 78 PA--FOR OFFICIAL USE ONLY

[Excerpts] Georgetown, 11 Jul (PL)--The official tally of the votes cast in Guyana's first constitutional referendum is continuing in a climate of relative peace. The first partial results have not been released as yet.

The referendum's press center reported that the votes of Guyanese residents abroad showed that out of a total of 24,576 votes cast, 22,559 were affirmative while 1,533 were negative and the rest were null.

(Annex continues on back pages of report)

After the voting period closed, Interior [as received] Minister Vibert Migo said that he was satisfied and voiced the opinion that most citizens had voted in a peacefull manner and with respect for the laws. He also stated that a majority rejected the calls of the opposition forces to boycott the referendum.

Meanwhile, Janet Jagan, international relations secretary of the opposition Peoples Progressive Party [PPP], pointed out that the voting had been excessively low and that most had heeded her party's call for a boycott, which she said constitutes an impressive victory. She also said that several party leaders had been beaten and arrested and that many persons had been detained throughout the day.

Meanwhile, Chief of Police Lloyd Barker said that the referendum, which began yesterday, had transpired without major incidents, but admitted that some arrests had been made. Barker said that among the persons arrested on charges of obstructing the right to vote was Makepeace Richmond, president of the opposition Guyana Liberator Party, PPP leader and parliamentarian Dalchand, and Malcolm Panday, a member of the ruling party. All were later freed.

Ballots are being counted at three central headquarters in this capital and offical reports are expected at noon today.

PERU

FOREIGN MINISTER ON U.S. PROTECTIONISM, USSR TRIP

PA1016Z1Y Lima PRELA in Spanish to PRELA Havana 1447 GMT 10 Jul 78 PA--FOR OFFICIAL USE ONLY

[Text] Lima, 10 Jul (PL)--Peruvian Foreign Minister Jose de la Puente Radbill has pointed out that U.S. protectionism is causing extremely difficult situations for developing countries that export raw materials.

Although he was asked last night over a television program about his recent trip to the United States, the USSR, Italy and Brazil, the foreign minister also discussed the foreign debt, the Amazonian cooperation treaty and deported politicians.

U.S. protectionism, he said, especially concerning sugar and copper, is creating a difficult situation for Peru. U.S. actions, he added, "are affecting us terribly." Peru exports large amounts of sugar and copper to the United States.

He emphasized the importance of his trip to the USSR, pointing out that the refinancing of Peru's debt to that country "had been the beginning of the restructuring of those obligations." The total amount of the debt to the USSR, he indicated, was "slightly more than 20 percent" of the overall foreign debt. According to the economy and finance minister, the foreign debt amounts to about $5 billion. [as received]

The USSR was the first nation that accepted an extension of Peru's debt. The Netherlands and Italy followed, and after that Peru negotiated the postponement of other payments with international banks based on Latin American and Spanish credits.

The foreign minister said last night that USSR loans for arms have covered "national security for several years." He also said that the foreign debt "could be absorbed by the economy but not its structure; that is to say, its payment dates."

According to official reports, 50 percent of that debt should be canceled between the present year and 1980.

The foreign minister also said last night that the Amazonian cooperation treaty signed in Brasilia early this month is not detrimental to the national interests and will stimulate "harmonious development" in the region, "preventing the unbalanced situations of the past."

He was asked if human rights had not been violated with the deportation of a group of Peruvians to a prison in Argentina. De la Puente Radbill said that Peru had sent the exiles to Argentina and not to a prison in Argentina. Argentine authorities, he added, met them at a military airbase for security reasons. "As a citizen, I want them to return, and I think the president feels the same way," he concluded.

GOVERNMENT OPENS BASIC INDUSTRIES TO PRIVATE INVESTMENT

PA0801507 Havana PRELA in Spanish 2140 GMT 7 Jul 78 PA--FOR OFFICIAL USE ONLY

[Text] Lima, 7 Jul (PL)--Industry Minister Gabriel Lanatta has announced that basic industry, monopolized by the state since 1971, has been opened to private investment.

The minister yesterday signed the first contract allowing private sector participation in a basic industry. A private concern received a 25-year concession to operate a state-owned plant to produce rice paper.

Lanatta announced that the next contract will involve a state-owned sodium carbonate plant located in Huacho, some 100 km north of Lima. He also said that the government favors another private sector initiative to build an electric steel mill and said that basic industry will be opened "to whoever wants to invest."

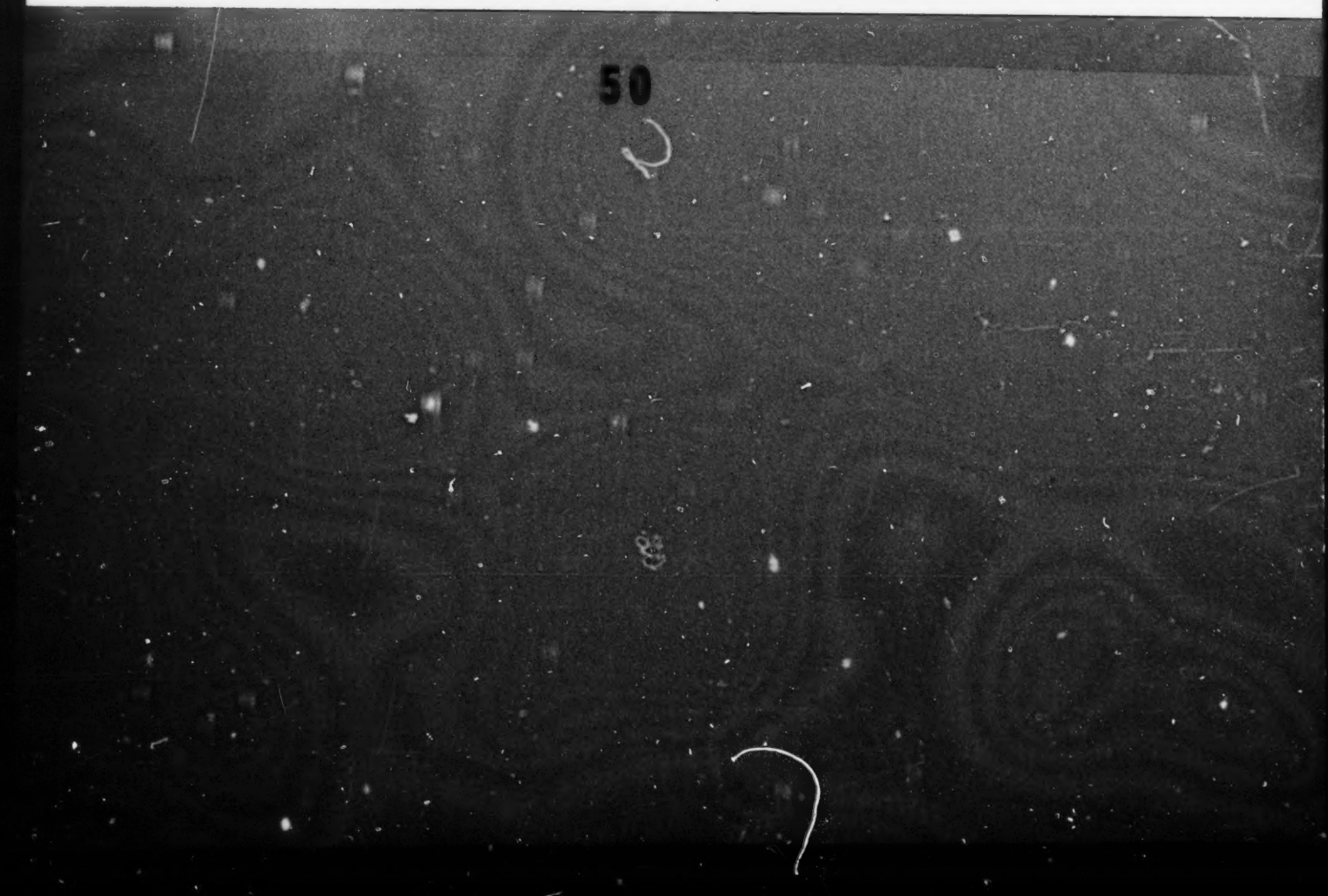
The minister, a Peruvian industrialist, also revealed that government projects dealing with basic industries will combine a minority share of government investment with a majority share of investment by the private sector, which will be responsible for administrating the industries.

He said that he had been authorized to analyze the condition of state-owned industries in order to see in which cases private investment can be encouraged.

Regarding the Huacho sodium carbonate plan, Industries Secretary Carlos Maza said that it will be negotiated with three concerns from Japan, South Korea and the United States.

The industries law approved by the armed forces government in 1971 placed all basic industries in the hands of the state as a first step toward independent economic development.

During the past months rightist sectors have intensified a campaign to discredit the government's business abilities and have demanded that private capital have access to basic industries.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